



## Synod Risk Management Policy

Expected risk management standards for all Synod bodies

### RISK MANAGEMENT WITHIN THE CHURCH

As the people of God, risk management reflects the Church's self-understanding as a community embedded within, and willing to learn from broader society: "... *the Uniting Church also stands in relation to contemporary societies in ways which will help it understand its own nature and mission.*" (Basis of Union, para. 11). Risk management, which ensures safe spaces and practices, enables broader participation the Church's pursuit of goals and objectives as part of our mission. Undertaking effective risk management is one aspect of the Church's faithful ability, "*to live and endure through the changes of history*" (Basis of Union, para 4).

Our awareness of risk management and our commitment to the processes set out in this document relate, in part, to our historical and traditional understanding of Stewardship. The Church acts as steward of its resources which are to be used for the mission of God and the sustainability of that mission into future generations (in whatever shape or form). Caring for those resources is a duty that we accept as the Synod of Victoria and Tasmania and as individual members of the Church.

Risk management is also a key part of our ongoing engagement as a Church operating in a society that has legal and moral expectations that we must uphold if we wish to continue to operate within that society. Irrespective of the required responses to these societal and governmental expectations, the Synod expects that it, and all councils, institutions and organisations of the Church are a safe place for individuals and groups to engage in the exploration and expression of discipleship and mission. Beyond this, risk management within the Synod is considered an essential aspect of how we operate to pursue mission in many and varying ways.

Thus, the Synod has specific expectations for risk management in its councils, institutions, and other Synod bodies as set out in the Synod Risk Management Policy.

**Rev Dr Mark Lawrence**

General Secretary, Synod of Victoria and Tasmania

# Synod Risk Management Policy

## 1. Purpose and overview

The Uniting Church in Australia (**UCA**) Synod of Victoria and Tasmania (**Synod**) Risk Management Policy (**policy**) outlines, formalises and communicates the minimum requirements set by the Synod in relation to risk management that apply across all its entities and bodies.

The policy requires that a systematic and consistent approach is applied across all Synod entities and bodies to identify and manage risk in the pursuit of objectives. Beyond supporting with the achievement of objectives, this supports the Synod's legal and regulatory requirements and ensures that we continue to operate within the expectations of the society in which we exist.

## 2. Scope

This policy applies to all **key Synod bodies**, which includes Synod Ministries and Operations, presbyteries, congregations, parish missions, and Institutions and other organisations operated by key Synod bodies. Therefore these key Synod bodies must comply with the risk management requirements set out in the policy statement.

It is recognised that key Synod bodies may seek to develop their own risk management policies and frameworks, however, this policy applies as the minimum requirements for risk management set by the Synod for all key Synod bodies. Key Synod bodies should therefore seek to ensure their risk policies, frameworks and procedures align to this policy.

To support the adoption of this policy within presbyteries and congregations, the Synod has developed a Presbytery and Congregation Risk Management Framework which is consistent with the Australian Standard for risk management (*AS ISO 31000:2018*). This is available for optional adoption where Presbyteries and Congregations choose not to develop their own complying Risk Management Framework.

## 3. Policy statement

Effective risk management, including the considered pursuit of some risks, is a key contributor towards the realisation of the Synod's missional and operational objectives. A key component of risk management includes the mitigation of unwanted negative events.

It is a requirement that all key Synod bodies develop and implement risk management systems and processes for the identification, analysis, management and reporting of both negative and positive risks. Each key Synod body is required to meet the following minimum requirements for risk management:

- a) develop, or adopt, and implement a Risk Management Framework consistent with the Australia Standard for Risk Management (*AS ISO 31000:2018*);
- b) where requested, report to the Synod Audit and Risk Committee (**ARC**) on risk management systems and processes and significant risks and associated management plans;
- c) undertake a complete review and update of their Risk Management Framework at least every three years;
- d) undertake an annual review of the effectiveness of their risk management processes to ensure compliance with their Risk Management Framework and that risk management processes satisfactorily and effectively manage risks appropriately to their operations and any applicable laws and regulations; and
- e) where possible and as appropriate, seek to align their risk matrices and ratings, including the underlying likelihood and consequence ratings, to those adopted by the Synod, as provided in Appendix 1 to this policy, to support a common understanding and definitions for risk.

## 4. The Synod's role in risk management

Risk management rightly belongs within the oversight of each key Synod body. Key Synod bodies necessarily must undertake appropriate risk management activities as part of their stewardship. However, the Synod has a particular role over and beyond that of its bodies. For the reasons detailed below, the Synod has oversight of risk at the broadest level and is responsible to have oversight of risk processes and any key risks.

- a) Clause 32 of the Constitution of the Uniting Church states that the Synod “*shall exercise executive, administrative, pastoral and disciplinary functions over the Presbyteries within its bounds*”, with risk management being considered one of those functions that belong to the Synod.
- b) All Synod assets and property is vested in the name of the Synod's Property Trusts which are the legal bodies accountable for any action taken in the name of the Synod. As part of the responsibility for appropriately discharging the duties associated with these trusts, the Synod has an accountability for meeting, and in some instances attesting to meeting, requirements in relation to risk management systems and processes.
- c) Even in the case of Institutions that are separately incorporated, these entities are wholly owned by the Synod and operate under the banner of the UCA, therefore their risk management processes feed into the overall structure and oversight of the Synod.

## 5. Roles and responsibilities

The Synod Standing Committee (**SSC**) is ultimately responsible for overseeing the establishment and implementation of risk management systems and processes across key Synod bodies. The SSC has established the ARC to support in fulfilling this responsibility.

The respective leadership of each key Synod body is responsible for ensuring their compliance with this policy and, where required, reporting to the ARC on their risk management practices and their identification, assessment and management of key risks.

Each key Synod body is responsible for regularly assessing key risks and the effectiveness and appropriateness of mitigating controls.

All personnel are responsible for applying risk management practices in their area of work and ensuring that their respective leadership are aware of key risks and escalating these where they are not being managed appropriately.

## 6. Related Synod documents

- Synod Ministries and Operations Risk Management Framework
- Presbytery and Congregation Risk Management Framework  
*This provides guidance and information on risk management and is available for the optional adoption by Presbyteries and Congregations.*

If any further support or guidance is required please contact [Synod Risk Management](#).

## 7. Definitions

Term	Definition
<b>Institution</b>	Institution means Institution as defined in Regulation 3.7.4.7 (a) (i) that has a direct reporting relationship with the Synod, whether such Institution is incorporated or not. These include Uniting, AgeWell, and U Ethical.
<b>Key Synod body</b>	A key Synod body refers to all the entities and bodies of the Synod of Victoria and Tasmania. These include Synod Ministries and Operations, Presbyteries, Congregations, Parish Missions and Institutions and other organisations operated by key Synod bodies.
<b>Objectives</b>	Objectives are the short and medium term goals that an organisation seeks to accomplish, which generally align to, and support the achievement of, overall strategic goals. Objectives can have different aspects (such as financial, health and safety, and environmental goals) and can apply at different levels (such as strategic, organization-wide, project, product and process).
<b>Parish Mission</b>	Those Congregations that have been designated as a Parish Mission under section 3.9.1 of the Regulations as they are responsible for approved ministries of special character, allowing them additional powers as specified in the regulations.
<b>Personnel</b>	Personnel in relation to this document, and its applicability, is considered to be any persons directly or indirectly employed by a key Synod body, as well as any contractors or volunteers or others that are associated with a key Synod body.
<b>Risk</b>	Risk is the “effect of uncertainty on objectives”. An effect may be a positive or negative deviation from what is expected. Risk is usually expressed in terms of risk sources, potential events, their consequences and their likelihood ( <i>ISO 31000:2018</i> ).
<b>Risk management</b>	Risk management refers to the coordinated activities that direct and control a body with regard to risk ( <i>ISO 31000:2018</i> ). It includes the principles, framework and processes for managing risks effectively and the application of these to particular risks.
<b>Synod</b>	The Synod of Victoria and Tasmania and the governance bodies it has established to discharge its responsibilities.

## 8. Document control

**Review cycle:** This document will be subject to formal review every three years, or earlier as needed.

**Next review date:** June 2027

**Policy Manager:** The Manager – Audit, Risk and Records Management is responsible for the management and maintenance of this document.

**Approver:** Synod Standing Committee

**Document management:** Any minor changes made between review periods should be reflected in the below table, however, only changes of a material nature will require formal review and approval by the approver between formal review periods.

Version	Date	Updated by	Summary of changes	Approval date
1.0	June 2018	Synod Risk Management Advisor	Initial version	07/12/2019
2.0	April 2022	Senior Advisor – Audit and Risk Management	Reframing of foreword and other minor amendments for clarification and updates to align to current context.	08/10/2022
3.0	May 2024	Manager – Audit, Risk and Records Management	Minor amendments as part of periodic review process.	15/06/2024

**Note:** when reviewing this document, the reviewer should ensure the template used is still the most current template for Synod policies and procedures, as found on the Synod intranet. This document is based on the June 2019 template.

## Appendix A | Synod Risk Rating Matrix

### Synod risk rating matrix

Key Synod bodies are required to align their risk matrices and ratings with those adopted by the Synod as provided below.

							Risk rating	Risk reduction requirements
							Critical	Risk should be reduced as soon as possible. If the risk cannot be reduced the most senior responsible officer/manager (or equivalent) should ensure that appropriate due diligence systems are in place.
Likelihood	Almost certain						High	Ensure system and technical controls are such that the risk is as low as reasonably practicable and due diligence systems are in place and assurance can be demonstrated.
	Likely						Medium	Ensure management system controls risk and managerial responsibility is defined.
	Possible						Low	Acceptable risk – Review consequences and likelihood and manage through routine procedures.
	Unlikely							
	Rare							
		Negligible	Minor	Moderate	Major	Extreme		
		Consequence						

### Synod likelihood and consequence rating scales

#### Likelihood rating scale

The below should be used as a guide to determine the likelihood rating of risks.

Rating	Likelihood
Almost Certain	The event is already occurring or is expected to occur in most circumstances.
Likely	There is a strong possibility of the event occurring. It is expected to occur at some point.
Possible	There is a reasonable possibility that the event may occur at some point.
Unlikely	Not expected under normal circumstances, but there's a slight possibility it may occur at some time.
Rare	Highly unlikely, but it may occur in exceptional circumstances. It could happen, but probably never will.

#### Consequence rating scale

The table below provides a general guide in determining the consequence rating of risks.

Some key Synod bodies may choose to develop detailed consequence scales for key areas of risk, (such as financial, operational, health and safety, reputational and legal), with defined levels of consequences for each rating. Where this approach is chosen, the ratings should still generally align with the guidance provided below to ensure a common understanding of risk ratings.

Rating	Consequence
Extreme	Presents a serious threat to the safety, health and wellbeing of people or to the ongoing sustainability of the entity.
Major	Medium to long term impacts that will likely cause reputational damage and a minor threat to the ongoing sustainability of the entity.
Moderate	Medium term impacts that may cause reputational damage. Little or no threat to the sustainability of the entity.
Minor	Temporary and minor disruptions only or short term impacts or temporary and minor harm.
Negligible	A single occurrence of the risk would cause no or only minor issues of little concern.